

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, OCTOBER 14, 2003**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, October 14, 2003, commencing at 7:00 a.m.

A. ROLL CALL

Present: Council Members – Beckman, Hansen, Howard, Land (left at 8:08 a.m.),
and Mayor Hitchcock

Absent: Council Members – None

Also Present: City Manager Flynn, City Attorney Hays, and City Clerk Blackston

B. CITY COUNCIL CALENDAR UPDATE

City Clerk Blackston reviewed the weekly calendar (filed).

ANNOUNCEMENTS

City Manager Flynn stated that he hoped to have someone selected to fill the position of Community Center Director by the end of this year when current Director Charlene Lange resigns.

C. TOPIC(S)

C-1 "Discussion regarding wastewater revenues and rates"

With the aid of overheads (filed), Public Works Director Prima reported that the White Slough project would be done in three phases. The contract for the first phase has been awarded. Phase two, i.e. to install filters and disinfection equipment, is currently in design. Phase three is in the environmental stage and staff is assessing a number of alternatives, e.g. moving the outfall further out into the Delta. Flow monitoring work is now underway and preliminary indications show that there will not be as much dilution as was hoped for. Consequently, this may result in reconsidering the land discharge alternative. Mr. Prima stated that there will be a significant cost to upgrade power to the facility. Pacific Gas and Electric (PG&E) is currently conducting studies to determine the cost to upgrade the power lines to the plant. He noted that a new permit will be issued before Phase three is completed.

Also associated with the wastewater revenue program is the replacement program for old pipes in the City, as well as maintaining operating costs and other components of the system, such as generators, pumping equipment, etc. There are also debt coverage requirements related to financings. The 1991 Certificates of Participation (COP) have conditions, as do the recent \$5 million COP for Phase one. The additional equipment, estimated at \$24 million, will also have a cost to operate and maintain. Additional staff will be needed in both Water and Wastewater. Increased laboratory and monitoring work has been included in staff's projections. Maintaining reserves of 15% of the annual operating expenses is a current budget policy. The consultant suggests, as a minimal level, that 50% of the ten-year average of annual capital maintenance requirement expenses be kept as a reserve in the capital fund. He noted that this would not include the major White Slough projects that are being funded by debt financing. Mr. Prima stated that the consultant originally recommended having 100% annually in reserves; however, Mr. Prima believed that amount was too high.

Cost assumptions and projections were arrived at by beginning with the 2003-04 operating budget that was adopted by Council. Percentage factors were then applied to various elements of expenses. Staff also included the \$1.5 million a year replacement program for infrastructure, and operation and maintenance costs for the filters and disinfection.

Mr. Prima noted that the enterprise funds for utilities are separate from the general fund. An in-lieu transfer is made to the general fund of 12% of the operating revenue. Sub-funds within the utility include the main utility fund (17.0), the capital account for infrastructure replacement and capital projects (17.1), White Slough capital projects (17.2), and the impact mitigation fee account (17.3). Mr. Prima briefly reviewed the Fee and Service Charge Schedule (filed).

In reply to Mayor Hitchcock, Mr. Prima clarified he was recommending that the capacity fee be rolled into the impact mitigation fee, so that there would be one fee for wastewater. He explained that the capacity fee for restaurants is based on the number of seats, irregardless of the hours of operation, which causes an inequity. Mr. Prima preferred that a land use based system be used for the initial one-time fee to hook up the system and have the monthly bill tied to water usage. Staff is also considering having strength categories in the commercial sector and contracted rates to promote economic development.

Council Member Hansen voiced support for programs to attract businesses that bring jobs into Lodi. He asked Mr. Prima to bring back information to Council related to the impact of doubling the discount percentage for low-income and senior citizens, from 10% to 20%, as well as the impact of raising the income threshold to qualify for a discount.

In response to Council Member Land, Mr. Prima stated that he would determine how much capacity is associated with septic haulers and report back to Council. He believed that natural gas usage at the plant was very minor. Costs for upgrades to the drainage system for surface runoff was included in the capital program.

Council Member Land recalled that allowing septic haulers was to be a temporary program until the County developed its own wastewater treatment facility. He felt that this matter should be reconsidered and the County contacted to ascertain whether they would participate in the upgrade of the City's wastewater treatment plant.

In answer to Mayor Hitchcock, Mr. Prima explained that there is a permit system for septic haulers. Waste is not accepted from outside the county or south of Eight Mile Road. Physical connections to the plant from new development is not allowed.

Mr. Prima suggested that fee increases occur in January 2004, July 2004, and July 2005. He recommended that Council adopt all three fees at one time and institute a formal policy of adjusting the fees every two years thereafter.

Council Member Hansen noted that there is a misunderstanding among the public that the City is expanding the plant. He emphasized the importance of public education to explain that these costs are related to unfunded mandates by the State.

Council Member Beckman asked that staff bring back an additional option for a rate increase that would end at a finite date in the future when the modifications have been paid for. In addition, he recommended that a message be printed on utility bills informing customers that the cost is due to an unfunded State mandate and also list the ending date for the increased fee.

Mr. Prima pointed out that the operational costs would not end; however, he stated that the capital portion of the cost could be separated out.

Council Member Beckman also asked Mr. Prima to return to Council with the option of a change in the in-lieu transfer percentage to general fund to eliminate or offset the rate increase.

Mr. Prima explained that an entire elimination of the 12% in-lieu transfer would not forestall rate increases.

Mayor Hitchcock agreed with Mr. Beckman's suggestion and expressed her displeasure that the City's general fund relies so heavily on the utilities in-lieu transfers.

NOTE: Council Member Land left at 8:08 a.m.

Council Member Beckman asked if the elimination of the in-lieu transfer would take care of the one-time capital costs, to which Mr. Prima indicated that he would look into the matter and report back to Council.

Mr. Prima reported that the draft proposed wastewater rates for a three-bedroom home would be as follows:

- \$19.48 – January 2004;
- \$23.28 – July 2004;
- \$26.87 – July 2005.

Mr. Prima explained that the capacity fee (the one-time buy-in fee) is charged separately on the building permit. The capacity fee for a two-bedroom home is \$2,099. The impact mitigation fee charged at five units per acre as part of development is \$105 per home. Together these fees total \$2,204 on the price of a new home. Calculations done by the consultant indicate that the fee should be increased to \$3,664.

In response to Mayor Hitchcock, Mr. Prima reiterated that there are two one-time fees related to new development for sewer that get collected at different stages in the development process. Staff is recommending that these two fees be combined and collected at one time.

Mr. Prima noted that staff is also discussing a new user rate, in which for the first five or ten years they would pay a surcharge on their monthly bill.

Referencing the *Fee and Service Charge Schedule, Development Impact Mitigation Fees*, Council Member Beckman asked that staff bring the Residential Acre Equivalent for low, medium, and high density back to Council for consideration at an appropriate time.

In reference to Phase three, Mayor Hitchcock asked staff to return to Council with cost scenarios and the impact on the rate structure for the two alternatives of: 1) discharging into the Delta, and 2) purchasing additional land.

Mr. Prima reviewed various draft spreadsheets (filed).

D. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

E. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:48 a.m.

ATTEST:

Susan J. Blackston
City Clerk

Mayor's & Council Member's Weekly Calendar

WEEK OF October 14, 2003

Tuesday, October 14, 2003

- 7:00 a.m. Shirtsleeve Session.
1. Discussion regarding wastewater revenues and rates (PW)
- 5:30 – 7:00 p.m. Ribbon Cutting/Grand Opening of Slim and Tone, 60 Lakewood Mall, C-6.
- 6:00 p.m. **Hitchcock and Howard.** Lodi-Woodbridge Winegrape Commission's, Wine Integrity Award Banquet, Lodi Wine and Visitor Center, 2545 West Turner Road.
- 6:30 – 8:00 p.m. Delta College Vision of the Future, Lodi Public Library Community Room, 201 West Locust Street.

Wednesday, October 15, 2003

- 7:00 p.m. City Council Meeting
(Note: Closed Session will begin at 5:00 p.m.)

Thursday, October 16, 2003

- 5:30 – 7:00 p.m. Grand Opening/Ribbon Cutting Movie City Grill and Bar 27 W. Elm St.

Friday, October 17, 2003

- 10:00 – 3:00 p.m. Flu Shots for City of Lodi Employees, City Hall, 2nd floor in the lounge. 10:00 – noon and 1:00 p.m. to 3:00 p.m.
- Noon – 4:00 p.m. **Hitchcock.** Epic Plastics Open House, 104 East Turner Road.
- 6:00 - 9:00 p.m. Lodi Chamber of Commerce School Street Stroll, Downtown Lodi.

Saturday, October 18, 2003

- 11:00 a.m. **Hitchcock.** Christian Science Church will be presented with an historical plaque by the Lodi Historical Society, 322 West Elm Street.

Sunday, October 19, 2003

Monday, October 20, 2003

Disclaimer: This calendar contains only information that was provided to the City Clerk's Office

filed 10-14-03

Wastewater Revenue Program

October 14, 2003 Shirtsleeve

- **Need for additional revenue**
- **Cost Assumptions & Projections**
- **Rate & Fee Policies/Practices**
- **Changes Rate & Fee Policies/Practices**
- **Draft Proposed Rate Adjustments**
- **Rate comparisons**
- **Next Steps**

Need For Additional Revenue

- **White Slough Treatment Facility Improvements**
 - **Meet discharge permit requirements**
 - **Phased project:**
 - Phase 1 – 2003 Aeration Improvements - \$4 million
 - Phase 2 – 2004 Filters, Disinfection, misc - \$24 million
 - Phase 3 – 2005/6 Outfall Relocation, Wetlands, Secondary Plant Improvements - \$22 million (rough estimate)
 - **Significant Unknowns:**
 - Cost to upgrade power to facility (PG&E)
 - Requirements in next discharge permit (State)
- **Maintain Infrastructure Replacement Program - \$1.5+ million/year**
- **Maintain operating cost & debt coverage per financing agreements**
- **Cover increased operations cost - \$0.5 million/year**
 - **Maintenance & technical staff**
 - **Power for filters & disinfection systems**
 - **Laboratory & monitoring**
- **Maintain reserves:**
 - **15% of annual operating expenses per budget policy**
 - **Capital reserve – 50% of 10 yr annual average cash costs recommended by consultant**

Cost Assumptions & Projections

- **Operating Budget for FY 02/03 & 03/04**
- **Various inflation factors for future costs**
- **Capital replacement program at previously discussed levels**
- **Additional O&M costs not in budget due to filters, etc.**

Current Rate & Fee Policies/Practices

- **Major City Objective: Provide Resources to Maintain City's Infrastructure.**
- **Utility (enterprise) funds separate from General Fund**
- **"In lieu" transfer to General Fund – 12% of operating revenue, same for all three utilities**
- **Separate sub-funds within Wastewater Utility:**
 - **Wastewater Utility (17.0) – receives revenue from bills, misc, budget for operational expenses & equipment, transfer to capital funds**
 - **Wastewater Capital Outlay (17.1) – capital projects, infrastructure replacement**
 - **Wastewater Capital Reserve (17.2) – originally set-up under federal/state grants for wastewater, now used for White Slough capital projects**
 - **IMF Wastewater (17.3) – development impact mitigation fee fund for both fee revenue and applicable capital projects**
- **Per City policy – charge fees/rates to cover service costs**
 - **Service Installation - charge when work is done by City crews**
 - **Capacity Fee (connection fee) – charged to new users; contribution toward capital costs of wastewater treatment plant**
 - **Service Charges – Monthly bill for service to cover operations & capital projects:**
 - Residential – per bedroom**
 - Commercial – per SSU "Sewage Service Unit" (one unit equivalent to a 2 bedroom home, 30 categories with various conversion factors)**
 - High Strength User – billing based on flow and strength (8 customers)**
 - **IMF – charged to new development for capital expansion other than wastewater treatment**
 - **Miscellaneous:**
 - Septic/grease haulers**
 - Industrial system**
 - Storm**
- **Special Rates – Downtown Incentives, Low income (SSI)**

Changes to Rate & Fee Policies/Practices

- **Major City Objective: Provide Resources to Maintain City's Infrastructure.**
No change
- **Utility (enterprise) funds separate from General Fund**
No change
- **"In lieu" transfer to General Fund – 12% of operating revenue, same for all three utilities**
No change
- **Separate sub-funds within Wastewater Utility:**
 - **Wastewater Utility (17.0)**
No change
 - **Wastewater Capital Outlay (17.1) –**
No change
 - **Wastewater Capital Reserve (17.2) –**
Retitle "Wastewater Treatment Capital Outlay; use similar to 17.1 for White Slough only"
 - **IMF Wastewater (17.3) –**
Add wastewater treatment portion
- **Per City policy – charge fees/rates to cover service costs**
 - **Service Installation -**
No change
 - **Capacity Fee (connection fee) –**
Eliminate, roll-in to IMF

- **Service Charges –**
 Residential – per bedroom
 No Change
 Commercial – per SSU “Sewage Service Unit”
 Restructure – strength categories, transition to flow based for customers with water meter
 High Strength User – billing based on flow and strength (8 customers)
 No Change
- **IMF –**
 Include wastewater treatment capacity charge using General Plan land use or some simple system.
- **Miscellaneous:**
 Septic/grease haulers
 Industrial system
 Storm
 No Change
- **Special Rates – Downtown Incentives, Low income**
 Consider Economic Development/Contract Rates?

Proposed Rate Adjustment Concepts

- **Three Smaller Increases Rather Than One Large One**
- **Adopt Increases Now To Allow Planning**
 - **January 2004**
 - **July 2004**
 - **July 2005**
 - **Plan to adjust every other year afterwards**
- **Could hold off on final decision on 2005 adjustment, but should indicate intent to adjust**
- **Implement rate structure changes over next year**

Draft Proposed Wastewater Rates

\$/month – 3 Br. Home Existing Rate:	January 2004	July 2004	July 2005
Increase:	\$ 16.23	\$ 19.48	\$ 23.38
	<u>\$ 3.25</u>	<u>\$ 3.90</u>	<u>\$ 3.49</u>
Total:	\$ 19.48	\$ 23.28	\$ 26.87
Capacity Fee – 2 Br. Home IMF	\$2,099		
Total:	<u>\$ 105</u>	(approx. – charged per acre)	
New IMF	\$ 2,204		
	\$ 3,664	(eliminate capacity fee)	

Note – other rates to be adjusted proportionately

Rate Comparisons

State of California - FY 01/02 Survey Report

Wastewater Rates:

516 agencies reporting

Monthly Rates - All		Adv. Secondary	Tertiary
Low	\$4.25	\$7.13	\$5.90
Median	\$17.43	\$20.25	\$19.93
Average	\$20.46	\$21.97	\$22.84
High	\$118.88	\$57.00	\$76.17
Lodi		\$16.23 (3 Br.)	

Black & Veatch - Statewide surveys

2002 Wastewater

526 agencies

Monthly Rates:

Low	\$5.00
Median	\$16.50
Average	\$20.17
High	\$187.98

Other San Joaquin County Agencies:

Linden CWD	\$19.70	Escalon	\$11.32
Stockton	\$18.80	Lockeford CSD	\$10.70
Country Club SD	\$17.32	Ripon	\$13.60
Lathrop	\$18.39	Woodbridge SD	\$14.70

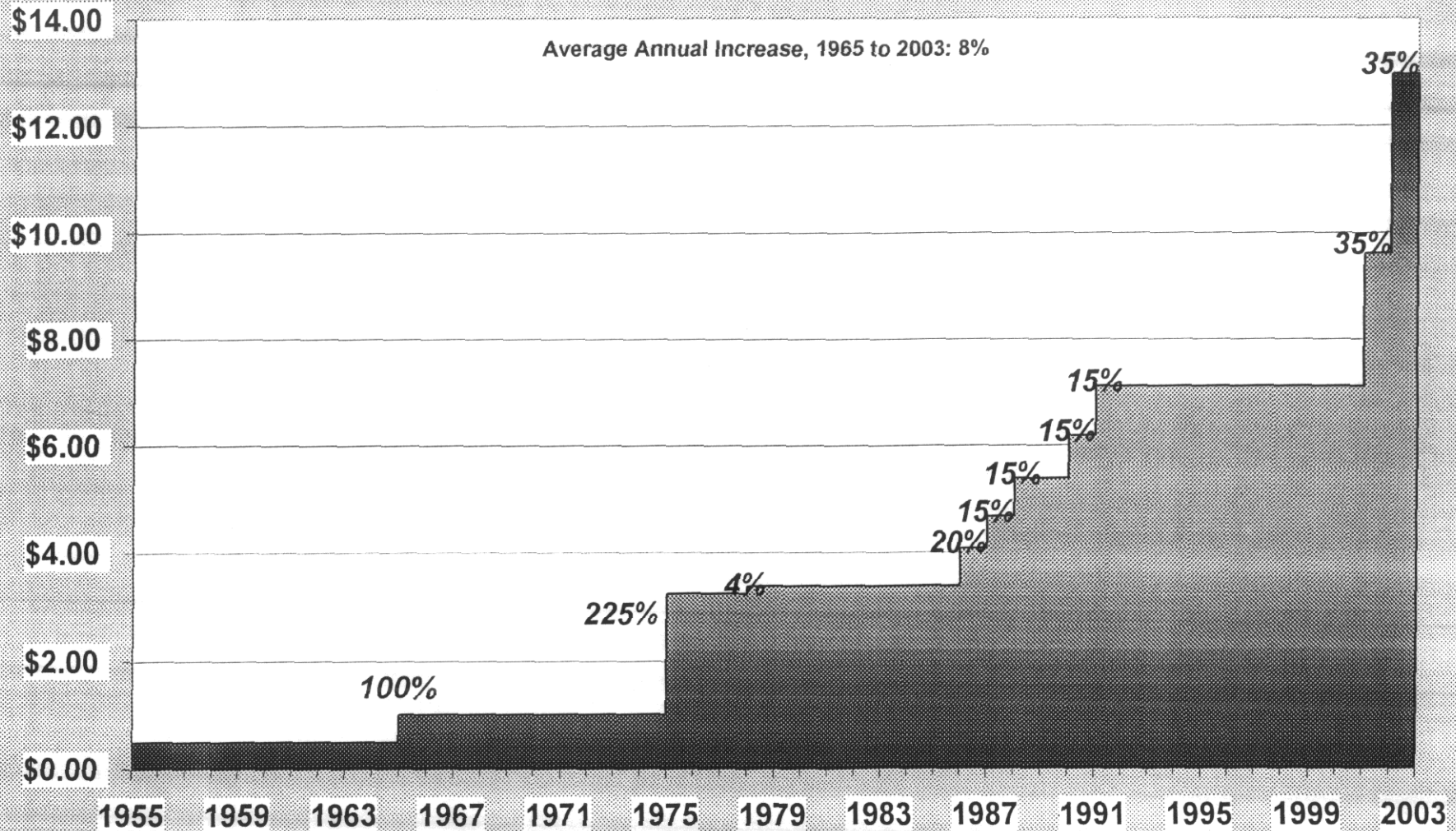
Tracy	\$17.50
Will be:	\$22.25 this year

Manteca	Current:	\$11.05
	Proposed	\$26.13 2003
		\$27.37 2004
		\$28.70 2005
		\$31.40 2006

Next Steps

- **Questions/Comments from Council?**
- **Any additional information/alternatives?**
- **City Council Meeting(s)**

Sewer Rate History (2 Bedroom Residence)





City of Lodi

Public Works Department

Fee and Service

Charge Schedule

Wastewater

Service Installation

Ref. LMC §13.04.050

4" Service	\$ 875.00	installations requiring jacking or special construction per T&M estimate
6" & Larger Service	per T&M estimate	
Disconnect/Abandon Service	\$ 200.00	

Capacity Fee

Ref. LMC §13.12.245, Resolution 91-04, PWD Policy #WW-1

To Domestic System:		SSU = Sewage Service Unit
Residential (per 2 bedroom home, 1 SSU)	\$ 2,099.00	1 BR = 0.75 SSU; ea. add'l. BR = 0.25 SSU
Commercial (per SSU)	\$ 2,099.00	# SSU's based on type of use
Moderate strength industrial (per SSU)	\$ 2,099.00	" "
High strength industrial:		
Flow (per MG, annual basis)	\$ 11,192.96	
BOD (per 1,000 lbs., annual basis)	\$ 4,610.56	
SS (per 1,000 lbs., annual basis)	\$ 2,076.43	
To Industrial System:		
Flow (per MG, annual basis)	\$ 6,260.67	
BOD (per 1,000 lbs., annual basis)	\$ 131.80	

Service Charges

Ref. LMC §13.12.245, Resolution 2001-232, PWD Policy #WW-1

Disposal to Domestic System:		
Residential (per month)		
1 Bedroom	\$ 9.73	
2 Bedrooms	\$ 12.97	basis for 1 Sewage Service Unit (SSU)
3 Bedrooms	\$ 16.23	
4 Bedrooms	\$ 19.47	
5 Bedrooms	\$ 22.71	
6 Bedrooms	\$ 25.95	
7 Bedrooms	\$ 29.20	
Moderate Strength (annual per SSU)	\$ 155.68	most commercial & industrial uses unless "high strength"
High strength user:		
Flow (per MG, annual basis)	\$ 749.09	
BOD (per 1,000 lbs., annual basis)	\$ 366.58	
SS (per 1,000 lbs., annual basis)	\$ 299.66	
Grease Interceptor & Septic Holding Tank Waste within City Limits (per 1,000 gal.)	\$ 114.75	
Septic (only) Holding Tank Waste Outside City limits (per 1,000 gal.)	\$ 243.61	
Disposal to Storm Drain System (per MG)	\$ 120.53	
Disposal to Industrial System:		
Flow (per MG, annual basis)	\$ 954.30	
BOD (per 1,000 lbs., annual basis)	\$ 33.56	

Note: No work will be scheduled until all charges for services are paid.



City of Lodi

Public Works Department

Fee and Service

Charge Schedule

Development Impact Mitigation Fees

RAE = Residential Acre Equivalent

Land Use Category	Total Fee per Acre	Water RAE	Fee/Acre	Sewer RAE	Fee/Acre	Storm Drainage RAE	Fee/Acre	Streets RAE	Fee/Acre
Residential									
Low Density	\$54,648	1.00	\$4,105	1.00	\$525	1.00	\$11,813	1.00	\$8,249
Medium Density	\$81,277	1.96	\$8,046	1.96	\$1,029	1.00	\$11,813	1.96	\$16,168
High Density	\$142,502	3.49	\$14,326	3.49	\$1,832	1.00	\$11,813	3.05	\$25,159
Planned Low Density	\$54,648	1.00	\$4,105	1.00	\$525	1.00	\$11,813	1.00	\$8,249
Planned Med. Density	\$81,277	1.96	\$8,046	1.96	\$1,029	1.00	\$11,813	1.96	\$16,168
Planned High Density	\$142,502	3.49	\$14,326	3.49	\$1,832	1.00	\$11,813	3.05	\$25,159
Commercial									
Retail	\$59,157	0.64	\$2,627	0.94	\$494	1.33	\$15,711	2.08	\$17,158
Office	\$76,591	0.64	\$2,627	0.94	\$494	1.33	\$15,711	3.27	\$26,974
Industrial									
Light	\$43,818	0.26	\$1,067	0.42	\$221	1.33	\$15,711	2.00	\$16,498
Heavy	\$41,487	0.26	\$1,067	0.42	\$221	1.33	\$15,711	1.27	\$10,476
		Police RAE	Fee/Acre	Fire RAE	Fee/Acre	Parks & Recreation RAE	Fee/Acre	General City RAE	Fee/Acre
Residential									
Low Density		1.00	\$1,613	1.00	\$1,577	1.00	\$20,249	1.00	\$6,517
Medium Density		1.77	\$2,855	1.96	\$3,091	1.43	\$28,956	1.43	\$9,319
High Density		4.72	\$7,613	4.32	\$6,813	2.80	\$56,697	2.80	\$18,248
Planned Low Density		1.00	\$1,613	1.00	\$1,577	1.00	\$20,249	1.00	\$6,517
Planned Med. Density		1.77	\$2,855	1.96	\$3,091	1.43	\$28,956	1.43	\$9,319
Planned High Density		4.72	\$7,613	4.32	\$6,813	2.80	\$56,697	2.80	\$18,248
Commercial									
Retail		4.12	\$6,646	2.69	\$4,242	0.32	\$6,480	0.89	\$5,800
Office		3.72	\$6,000	2.46	\$3,879	0.54	\$10,934	1.53	\$9,971
Industrial									
Light		0.30	\$484	0.64	\$1,009	0.23	\$4,657	0.64	\$4,171
Heavy		0.19	\$306	0.61	\$962	0.33	\$6,682	0.93	\$6,061

See Notes 4, 5 & 6.

Reference: LMC Chapter 15.64 & Resolution 2001-242

Notes

1. This schedule is a summary only; refer to the reference cited for details of applicability and interpretations.
2. LMC = Lodi Municipal Code; PWD = Public Works Department
3. Fees must be paid or guaranteed before work is scheduled or applicable Map/Permit issued.
4. Special area assessments or charges required by reimbursement agreements are not included in this summary.
5. Impact fees shall be adjusted accordingly on projects for which the proposed land use does not match the land use definitions in LMC Chapter 15.64 or for "projects in progress" that have paid previous impact mitigation fees.
6. For mixed use projects, the appropriate land use category shall be used for the area of each use. For example, an office building or bank located in a shopping center will be charged Commercial-Office rates.

DRAFT

City of Lodi Revenue Program
Assumptions used for projections

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	Basis/Comments
General growth	<i>Per Budget</i>	<i>Per Budget</i>	<i>Per Budget</i>	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	General increase with City growth; w/o rate adjustments
Interest on Fund Balance	<i>Per Budget</i>	2.0%	2.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	Current LAIF rate with slight increase in future
General inflation	<i>Per Budget</i>	<i>Per Budget</i>	<i>Per Budget</i>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	General inflation factor used unless noted otherwise
Construction cost inflation		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	Based on recent increases in ENR-CCI SF index
Labor	<i>Per Budget</i>	<i>Per Budget</i>	<i>Per Budget</i>	3.0%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	Maint. & Op. MOU thru 6/03, estimate beyond
Power	<i>Per Budget</i>	<i>Per Budget</i>	<i>Per Budget</i>	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
Wastewater GF In-Lieu	20.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	Per adopted budget policy
Insurance, Misc.	<i>Per Budget</i>	<i>Per Budget</i>	<i>Per Budget</i>	5.0%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	estimated increases
Septage Hauler Revenues	<i>Per Budget</i>	<i>Per Budget</i>	<i>Per Budget</i>	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	Should actually increase with rates

	A	B	F	G	H	I	J	K	L	M	N	O
1	City of Lodi Revenue Program											
3	DRAFT											
4												
5												
6												
7												
8	Operations and Maintenance											
9	Damage to City Property 170152	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
10	Administration 170401											
11	Personnel Services	\$ 233,940	\$ 246,995	\$ 267,610	\$ 276,307	\$ 285,287	\$ 294,559	\$ 304,132	\$ 314,017	\$ 324,222	\$ 334,759	
12	Increased Administrative Expenses	-	-	-	106,090	109,538	113,098	116,774	120,569	124,487	128,533	
13	Utility Comm. & Transportation	3,350	3,000	3,100	3,255	3,418	3,589	3,768	3,956	4,154	4,362	
14	Supplies	67,122	82,125	106,640	109,839	113,134	116,528	120,024	123,625	127,334	131,154	
15	Other	9,900	10,550	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609	
16	Subtotal , Administration	\$ 314,312	\$ 342,670	\$ 384,350	\$ 502,702	\$ 518,804	\$ 535,423	\$ 552,577	\$ 570,282	\$ 588,556	\$ 607,417	
17	Plant Maintenance 170403											
18	Personnel Services	\$ 820,205	\$ 849,500	\$ 901,065	930,350	960,586	991,805	1,024,039	1,057,320	1,091,683	1,127,163	
19	Utility Comm. & Transportation	328,750	428,675	428,675	450,109	472,614	496,245	521,057	547,110	574,465	603,189	
20	Supplies	526,589	491,265	483,970	498,489	513,444	528,847	544,712	561,054	577,885	595,222	
21	Other	120,580	138,680	132,680	136,660	140,760	144,983	149,333	153,812	158,427	163,180	
22	Subtotal , Plant Maintenance	\$ 1,796,124	\$ 1,908,120	\$ 1,946,390	\$ 2,015,608	\$ 2,087,404	\$ 2,161,880	\$ 2,239,141	\$ 2,319,296	\$ 2,402,461	\$ 2,488,753	
23	Sanitary Sewer Maintenance 170404											
24	Personnel Services	\$ 386,030	\$ 340,790	\$ 359,590	371,277	383,343	395,802	408,665	421,947	435,660	449,819	
25	Utility Comm. & Transportation	17,200	16,400	16,400	17,220	18,081	18,985	19,934	20,931	21,978	23,076	
26	Supplies	24,900	31,880	33,000	33,990	35,010	36,060	37,142	38,256	39,404	40,586	
27	Other	3,890	3,700	4,000	4,120	4,244	4,371	4,502	4,637	4,776	4,919	
28	Subtotal , Sanitary Sewer Maintenance	\$ 432,020	\$ 392,770	\$ 412,990	\$ 426,607	\$ 440,677	\$ 455,218	\$ 470,244	\$ 485,771	\$ 501,818	\$ 518,401	
29	Storm Drain Maintenance 170405											
30	Personnel Services	\$ 101,430	\$ 137,245	\$ 144,840	149,547	154,408	159,426	164,607	169,957	175,481	181,184	
31	Utility Comm. & Transportation	26,600	26,600	26,600	27,930	29,327	30,793	32,332	33,949	35,647	37,429	
32	Supplies	28,054	152,500	86,500	89,095	91,768	94,521	97,357	100,277	103,286	106,384	
33	Other	144,970	105,000	107,135	110,349	113,660	117,069	120,581	124,199	127,925	131,763	
34	Subtotal , Storm Drain Maintenance	\$ 301,054	\$ 421,345	\$ 365,075	\$ 376,921	\$ 389,161	\$ 401,809	\$ 414,878	\$ 428,382	\$ 442,337	\$ 456,759	
35												
36	Other Expenses											
37	Increased Annual O&M/White Slough WWTP	\$ -	\$ -	\$ 145,000	\$ 298,700	\$ 307,661	\$ 316,891	\$ 326,398	\$ 336,189	\$ 346,275	\$ 356,663	
38	Additional Increases for Land/Other Expenses	-	-	-	-	-	-	-	-	-	-	
39	Supplement Envir. Program 170413	13,000	8,945	14,445	14,878	15,325	15,784	16,258	16,746	17,248	17,766	
40	Watershed Education Grant 170414	66,901	7,200	-	-	-	-	-	-	-	-	
41	Industrial System Maintenance 170442	15,855	11,255	11,505	11,850	12,206	12,572	12,949	13,337	13,738	14,150	
42	Subtotal - Other O&M Expenses	\$ 95,756	\$ 27,400	\$ 170,950	\$ 325,429	\$ 335,191	\$ 345,247	\$ 355,605	\$ 366,273	\$ 377,261	\$ 388,579	
43	Total, Operating O&M Expenses	\$ 2,947,266	\$ 3,100,305	\$ 3,287,755	\$ 3,655,266	\$ 3,779,238	\$ 3,907,577	\$ 4,040,443	\$ 4,178,004	\$ 4,320,432	\$ 4,467,909	
44												

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	A	B	F	G	H	I	J	K	L	M	N	O
1	City of Lodi Revenue Program											
3	DRAFT											
4												
5												
6												
			Budgeted	Budgeted				Projected				
		FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	
45	Non-Operating Expenses											
46	Contributions to GF (in-lieu) 170472	\$ 774,950	\$ 724,504	\$ 808,592	\$ 1,071,372	\$ 1,248,608	\$ 1,261,615	\$ 1,293,883	\$ 1,307,371	\$ 1,340,820	\$ 1,334,787	
47	Percentage of Contributions to GF (in-lieu)	16%	12%	12%	12%	12%	12%	12%	12%	12%	12%	
48	Cost of Services (to GF)	537,354	665,859	665,859	687,499	709,843	732,913	756,733	781,327	806,720	832,938	
49	Insurance, Misc.	304,201	433,857	433,857	447,957	462,516	477,548	493,068	509,093	525,638	542,722	
50	Total Non-Operating O&M Expenses	\$ 1,616,505	\$ 1,824,220	\$ 1,908,308	\$ 2,206,829	\$ 2,420,968	\$ 2,472,076	\$ 2,543,684	\$ 2,597,790	\$ 2,673,178	\$ 2,710,446	
51	Total O&M Expenses	\$ 4,563,771	\$ 4,924,525	\$ 5,196,063	\$ 5,862,095	\$ 6,200,206	\$ 6,379,653	\$ 6,584,127	\$ 6,775,794	\$ 6,993,611	\$ 7,178,355	
52												
53	Debt Service											
54	Existing debt - 1991 COPs (P&I) 170301	\$ 835,130	\$ 817,465	\$ 816,440	\$ 798,460	\$ 799,600	\$ 799,525	\$ 793,780	\$ 796,695	\$ 793,605	\$ 794,175	
55	Transfer from Impact Fund for Share of 1991 COPS	-	(604,924)	(604,166)	(590,860)	(591,704)	(591,649)	(587,397)	(589,554)	(587,268)	(587,690)	
56	State Revolving Loan Fund (SRF)-00172	-	-	1,154,879	1,724,352	1,724,352	1,724,352	1,724,352	1,724,352	1,724,352	1,724,352	
57	Future Debt (COPS, Pooled, others)-00172	-	265,360	395,489	459,656	459,656	459,656	459,656	459,656	459,656	459,656	
58	Subtotal, Debt Service	\$ 835,130	\$ 477,901	\$ 1,762,643	\$ 2,391,607	\$ 2,391,903	\$ 2,391,884	\$ 2,390,390	\$ 2,391,148	\$ 2,390,345	\$ 2,390,493	
59	Total Operation and Maintenance Expenses	\$ 5,398,901	\$ 5,402,426	\$ 6,958,705	\$ 8,253,702	\$ 8,592,109	\$ 8,771,536	\$ 8,974,517	\$ 9,166,942	\$ 9,383,955	\$ 9,568,848	
60												
61	Non-Operating Revenue											
62												
63	Sewer Reimbursements	375,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	
64	Investment Earnings	128,210	56,458	18,575	27,149	25,075	26,232	27,577	29,651	31,819	31,886	
65	Rent - WSWPCF	142,298	205,645	205,645	207,701	209,778	211,876	213,995	216,135	218,296	220,479	
66	Sale of City Property	-	-	-	-	-	-	-	-	-	-	
67	Subtotal Non-Operating Revenues	\$ 645,508	\$ 462,103	\$ 424,220	\$ 434,850	\$ 434,854	\$ 438,108	\$ 441,572	\$ 445,786	\$ 450,115	\$ 452,385	
68												
69	Transfers To/(From) Reserves											
70	Capital Outlays (00171) (Tbl 3)	\$ 1,086,537	\$ 2,500,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	
71	WSWPCF Capital (00172) (Tbl 3)	750,000	700,000	700,000	500,000	400,000	350,000	350,000	350,000	350,000	350,000	
72	Impact Fund (00173) (Tbl 3)	-	-	-	-	-	-	-	-	-	-	
73	Subtotal Transfer To/(From)	\$ 1,836,537	\$ 3,200,000	\$ 2,700,000	\$ 2,500,000	\$ 2,400,000	\$ 2,350,000	\$ 2,350,000	\$ 2,350,000	\$ 2,350,000	\$ 2,350,000	
74	Revenue Requirements (To Tbl 2)	\$ 6,589,930	\$ 8,140,323	\$ 9,234,485	\$ 10,318,852	\$ 10,557,256	\$ 10,683,428	\$ 10,882,945	\$ 11,071,157	\$ 11,283,840	\$ 11,466,483	
75												

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	A	B	F	G	H	I	J	K	L	M	N	O
1	City of Lodi Revenue Program											
2	Table 2. Projected Revenue Increases											
3												
4	DRAFT											
5												
6			Budgeted	Budgeted	Projected							
7		FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	
8	Revenue Requirements (From Tbl 1)	\$6,589,930	\$8,140,323	\$9,234,485	\$10,318,852	\$10,557,256	\$10,683,428	\$10,882,945	\$11,071,157	\$11,283,840	\$11,466,483	
9	Revenue from Rates											
10	Revenue from Current Rates (From Tbl 5)	\$ 6,037,534	\$ 6,125,694	\$ 6,189,753	\$ 6,254,205	\$ 6,319,353	\$ 6,385,204	\$ 6,451,767	\$ 6,519,050	\$ 6,587,061	\$ 6,655,808	
11	Revenue from prior year's rate increases	-	-	1,250,330	2,781,895	4,194,103	4,237,808	4,442,991	4,489,325	4,536,161	4,923,212	
12	Total Rate Revenues Including Rate Increases	\$6,037,534	\$6,125,694	\$7,440,083	\$9,036,101	\$10,513,456	\$10,623,012	\$10,894,758	\$11,008,375	\$11,123,222	\$11,579,020	
13	Surplus/(Deficit) before rate increase	(552,397)	(2,014,629)	(1,794,402)	(1,282,751)	(43,800)	(60,416)	11,813	(62,781)	(160,618)	112,537	
14												
15	Rate Increase Indicated (From Tbl 3)	0.0%	20.0%	20.0%	15.0%	0.0%	1.5%	0.0%	1.5%	0.0%	1.5%	
16	Revenue from rate increases											
17												
18	FY 03-04 (effective 1/1/04)	\$	612,569	\$ 1,250,330	\$ 1,263,349	\$ 1,276,509	\$ 1,289,811	\$ 1,303,257	\$ 1,316,848	\$ 1,330,586	\$ 1,344,473	
19	FY 04-05 (effective 7/1/04)			1,488,017	1,518,546	1,534,364	1,550,353	1,566,515	1,582,851	1,599,365	1,616,057	
20	FY 05-06				1,368,969	1,383,229	1,397,643	1,412,213	1,426,941	1,441,827	1,456,875	
21	FY 06-07					-	-	-	-	-	-	
22	FY 07-08						159,345	161,006	162,685	164,383	166,098	
23	FY 08-09							-	-	-	-	
24	FY 09-10								165,126	-	168,590	
25	FY 10-11									-	171,119	
26	FY 11-12										173,685	
27	Subtotal - Revenue from Rate Increases	\$ -	\$ 612,569	\$ 2,738,347	\$ 4,150,865	\$ 4,194,103	\$ 4,397,153	\$ 4,442,991	\$ 4,654,451	\$ 4,536,161	\$ 5,096,897	
28	Total Rate Revenue	\$ 6,037,534	\$ 6,738,264	\$ 8,928,100	\$ 10,405,070	\$ 10,513,456	\$ 10,782,357	\$ 10,894,758	\$ 11,173,501	\$ 11,123,222	\$ 11,752,705	
29	Surplus/(Deficit) after Rate Increase (To Tbl 3, Fund 17)	\$ (552,397)	\$ (1,402,060)	\$ (306,385)	\$ 86,218	\$ (43,800)	\$ 98,929	\$ 11,813	\$ 102,344	\$ (160,618)	\$ 286,222	

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	A	B	C	D	E	F	G	H	I	J	K	L
1	City of Lodi Revenue Program											
2	Table 3. Reserve Funds											
3	DRAFT											
4												
5												
6	Operations Fund (00170)	Actual	Budgeted	Budgeted	Projected							
7	Fund Balance Without Rate Increases	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
8	Beginning Fund Balance		\$ 3,099,089	\$ 2,603,150	\$ 620,438	\$ (1,173,964)	\$ (2,456,715)	\$ (2,500,515)	\$ (2,560,931)	\$ (2,549,118)	\$ (2,611,899)	\$ (2,772,518)
9	Annual Surplus/(Deficit) (From Tbl 2)		(552,397)	(2,014,629)	(1,794,402)	(1,282,751)	(43,800)	(60,416)	11,813	(62,781)	(160,618)	112,537
10	Subtotal		\$ 2,546,692	\$ 588,521	\$ (1,173,964)	\$ (2,456,715)	\$ (2,500,515)	\$ (2,560,931)	\$ (2,549,118)	\$ (2,611,899)	\$ (2,772,518)	\$ (2,659,981)
11	Estimated interest earnings		56,458	31,917	-	-	-	-	-	-	-	-
12	Ending Balance (Without Rate Incr.)	\$ 3,099,089	\$ 2,603,150	\$ 620,438	\$ (1,173,964)	\$ (2,456,715)	\$ (2,500,515)	\$ (2,560,931)	\$ (2,549,118)	\$ (2,611,899)	\$ (2,772,518)	\$ (2,659,981)
13												
14	Fund Balance With Rate Increases (To Tbl 2)	Rate Increases:	0%	20%	20%	15%	0%	1.5%	0%	1.5%	0%	1.5%
15	Beginning Fund Balance		\$ 3,099,089	\$ 2,603,150	\$ 1,239,133	\$ 959,896	\$ 1,071,189	\$ 1,053,622	\$ 1,180,128	\$ 1,221,592	\$ 1,355,755	\$ 1,227,023
16	Transfers (To)/From Fund 00172 (To Tbl 3 below)		-	-	-	-	-	-	-	-	-	-
17	Annual Surplus/(Deficit) (From Tbl 2)		(552,397)	(1,402,060)	(306,385)	86,218	(43,800)	98,929	11,813	102,344	(160,618)	286,222
18	Subtotal		\$ 2,546,692	\$ 1,201,091	\$ 932,748	\$ 1,046,114	\$ 1,027,389	\$ 1,152,551	\$ 1,191,941	\$ 1,323,936	\$ 1,195,137	\$ 1,513,246
19	Estimated interest earnings		56,458	38,042	27,149	25,075	26,232	27,577	29,651	31,819	31,886	34,253
20	Ending Balance (With Rate Increase)	3,099,089	\$ 2,603,150	\$ 1,239,133	\$ 959,896	\$ 1,071,189	\$ 1,053,622	\$ 1,180,128	\$ 1,221,592	\$ 1,355,755	\$ 1,227,023	\$ 1,547,499
21	Minimum Balance (15% of Operations)	663,000	\$ 685,000	\$ 739,000	\$ 779,000	\$ 879,000	\$ 930,000	\$ 957,000	\$ 988,000	\$ 1,016,000	\$ 1,049,000	\$ 1,077,000
22	Fund Balance Compared to Target		380%	168%	123%	122%	113%	123%	124%	133%	117%	144%
23	Capital Outlays (00171)											
24	Beginning Balance	\$ -	\$ (575,123)	\$ 16,886	\$ 960,211	\$ 1,203,024	\$ 1,065,638	\$ 1,279,193	\$ 1,447,461	\$ 1,565,261	\$ 1,534,131	\$ 1,502,223
25	Transfers (To)/From Rev Reqmts (Tbl 1)	-	1,086,537	2,500,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
26	Other Revenue		122,487	122,487	122,487	122,487	122,487	122,487	122,487	122,487	122,487	122,487
27	Operating Costs		(18,992)	(18,992)	(18,992)	(18,992)	(18,992)	(18,992)	(18,992)	(18,992)	(18,992)	(18,992)
28	Capital Maintenance		(49,925)	(49,925)	(49,925)	(49,925)	(49,925)	(49,925)	(49,925)	(49,925)	(49,925)	(49,925)
29	Capital Projects (From Tbl 4)		(560,134)	(1,631,955)	(1,849,500)	(2,231,000)	(1,881,000)	(1,931,000)	(1,985,000)	(2,135,000)	(2,135,000)	(2,185,000)
30	Other Activity		12,036	12,036	12,036	12,036	12,036	12,036	12,036	12,036	12,036	12,036
31	Subtotal	\$ -	\$ 16,886	\$ 950,537	\$ 1,176,317	\$ 1,037,630	\$ 1,250,244	\$ 1,413,799	\$ 1,528,067	\$ 1,495,867	\$ 1,464,737	\$ 1,382,829
32	Estimated interest earnings		-	9,674	26,707	28,008	28,949	33,662	37,194	38,264	37,486	36,063
33	Ending Balance	\$ (575,123)	\$ 16,886	\$ 960,211	\$ 1,203,024	\$ 1,065,638	\$ 1,279,193	\$ 1,447,461	\$ 1,565,261	\$ 1,534,131	\$ 1,502,223	\$ 1,418,892
34	Target Balance (50% of 10-yr annual average cash costs)	\$ 822,000	\$ 926,000	\$ 954,000	\$ 983,000	\$ 1,012,000	\$ 1,042,000	\$ 1,073,000	\$ 1,105,000	\$ 1,138,000	\$ 1,172,000	\$ 1,207,000
35	Fund Balance Compared to Target		2%	101%	122%	105%	123%	135%	142%	135%	128%	118%
36	WSWPCF Capital (00172)											
37	Beginning Balance	\$ -	\$ (1,326,614)	\$ (950,213)	\$ 107,787	\$ 130,732	\$ 235,250	\$ 291,757	\$ 299,051	\$ 306,527	\$ 314,190	\$ 322,045
38	Transfers (To)/From Rev Reqmts (Tbl 1)	-	750,000	700,000	700,000	500,000	400,000	350,000	350,000	350,000	350,000	350,000
39	Transfers (To)/From Fund 170 (Tbl 3 above)		-	-	-	-	-	-	-	-	-	-
40	2003 Bond Pool "past expense" reimbursement			1,200,000								
41	Capital Projects											
42	Cash funded projects (From Tbl 4)		(338,685)	(842,000)	(680,000)	(400,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
43			-	-	-	-	-	-	-	-	-	-
44			-	-	-	-	-	-	-	-	-	-
45	SRF loan - (See Table 1)		-	-	-	-	-	-	-	-	-	-
46	Other Activity		(34,914)	-	-	-	-	-	-	-	-	-
47	Subtotal		\$ (950,213)	\$ 107,787	\$ 127,787	\$ 230,732	\$ 285,250	\$ 291,757	\$ 299,051	\$ 306,527	\$ 314,190	\$ 322,045
48	Estimated interest earnings		-	-	2,945	4,518	6,506	7,294	7,476	7,663	7,855	8,051
49	Ending Balance	(1,326,614)	\$ (950,213)	\$ 107,787	\$ 130,732	\$ 235,250	\$ 291,757	\$ 299,051	\$ 306,527	\$ 314,190	\$ 322,045	\$ 330,096
50	Minimum Balance (50% of 10-yr annual average cash costs)	200,500	\$ 218,000	\$ 225,000	\$ 232,000	\$ 239,000	\$ 246,000	\$ 253,000	\$ 261,000	\$ 269,000	\$ 277,000	\$ 285,000
51	Fund Balance Compared to Target		-436%	48%	56%	98%	119%	118%	117%	117%	116%	116%
52	Total Reserves (00170, 00171, 00172)											
53	Total Reserves (With Rate Increases)	1,197,352	\$ 1,669,824	\$ 2,307,132	\$ 2,293,652	\$ 2,372,078	\$ 2,624,571	\$ 2,926,640	\$ 3,093,380	\$ 3,204,077	\$ 3,051,291	\$ 3,296,487
54	Total Target Reserves	1,685,500	\$ 1,829,000	\$ 1,918,000	\$ 1,994,000	\$ 2,130,000	\$ 2,218,000	\$ 2,283,000	\$ 2,354,000	\$ 2,423,000	\$ 2,498,000	\$ 2,569,000
55	Fund Balance Compared to Target	71%	91%	120%	115%	111%	118%	128%	131%	132%	122%	128%

	A	B	C	D	E	F	G	H	I	J	K	L
1	City of Lodi Revenue Program											
2	Table 3. Reserve Funds											
3	DRAFT											
4												
5		Actual		Budgeted	Budgeted	Projected						
6		FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
56	Impact Fund (00173)											
57	Beginning Balance	-	\$ 202,036	\$ 819,992	\$ 1,283,458	\$ 1,842,296	\$ 1,828,356	\$ 1,813,213	\$ 1,112,022	\$ 1,083,332	\$ 1,051,740	\$ 1,021,674
58	Transfers (To)/From Rev Reqmts (To Tbl 1)		-	-	-	-	-	-	-	-	-	-
59	Transfer To Operations for Share of 1991 COPS (To Tbl 1)		-	(604,924)	(604,166)	(590,860)	(591,704)	(591,649)	(587,397)	(589,554)	(587,268)	(587,690)
60	Impact Fee Revenue-Existing	832,296	567,000	777,000	924,000	924,000	924,000	924,000	924,000	924,000	924,000	924,000
61	Impact Fee Revenue-Increase In Fees		-	310,800	739,200	739,200	739,200	739,200	739,200	739,200	739,200	739,200
62	Other Revenue		40,421	40,421	40,421	40,421	40,421	40,421	40,421	40,421	40,421	40,421
63	Capital Projects											
64	Cash funded projects (From Tbl 4)		(1,488)	(19,821)	(219,667)	-	-	(677,260)	-	-	-	-
65	Existing COPS/Bonds/Loans		-	-	-	-	-	-	-	-	-	-
66	Future COPS/Bonds (See Table 1)		-	(62,740)	(92,989)	(175,266)	(175,266)	(175,266)	(175,266)	(175,266)	(175,266)	(175,266)
67	SRF loan - (See Table 1)	-	-	-	(268,456)	(998,655)	(998,655)	(998,655)	(998,655)	(998,655)	(998,655)	(998,655)
68	Other Activity		1,904	1,904	1,904	1,904	1,904	1,904	1,904	1,904	1,904	1,904
69	Subtotal	\$	809,873	\$ 1,262,632	\$ 1,803,706	\$ 1,783,039	\$ 1,768,255	\$ 1,075,908	\$ 1,056,229	\$ 1,025,381	\$ 996,076	\$ 965,588
70	Estimated interest earnings		10,119	20,826	38,590	45,317	44,958	36,114	27,103	26,359	25,598	24,841
71	Ending Balance	202,036	\$ 819,992	\$ 1,283,458	\$ 1,842,296	\$ 1,828,356	\$ 1,813,213	\$ 1,112,022	\$ 1,083,332	\$ 1,051,740	\$ 1,021,674	\$ 990,429

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